

Georgetown City Council Budget Meeting
Wednesday May 11, 2011
5:30 pm

The Georgetown City Council Budget Meeting was called to order by Mayor Everette Varney with all members present except Kelly McEuen and Brad Penn. Connie Tackett arrived at 5:34.

Bid for Zetron Radio for 911 Center- Betty Pendergrass

Ms. Pendergrass presented a bid for the new radios to be used at the 911 Center. Ms. Pendergrass would like to get voice vote from the council this evening due to the current console having failed 2 times. Jebb Warner the director of the 911 center explained that this system is used to communicate with the Fire and Police departments and has been in use for 8 years with no breaks and no maintenance. A motion was made by Councilman Lusby and seconded by Councilman Prather. **The motion was unanimously approved.**

Fiscal First Aid and Financial Recovery

Ms Pendergrass distributed a booklet concerning fiscal first aid. The book was written to guide elected officials.

Employee Task Force- Don Mather

Ms. Pendergrass introduced Sergeant Don Mather to the council. Sergeant Mather is one of two police officers who serve on the employee task force. Sergeant Mather thanked Mayor Varney for forming the task force and introduced members of the task force who are present this evening. The task force is made up of at least one representative from each department in the city.

Sergeant Mather said that the task force has basically studied the morale of the city's employees. The task force has found that overall most employees are frustrated due to the current economy. Sergeant Mather asked Councilman Singer why he thinks good employees leave the City of Georgetown. Councilman Singer said they are lost by a system that does not reward excellence or performance and there is no merit system. He also said they leave for better pay. Sergeant Mather used himself and his employment with the city as an example to explain why people leave. Sergeant Mather said he had come to Georgetown from the Fayette County Sheriffs department because of pay and benefits. Councilman Thompson asked what would improve work conditions benefits, more pay, less micro managing. Sergeant Mather asked Councilman Prather if he knew what the cost of living increase had been over the last five years. Councilman Prather said 15% and Sergeant Mather said it was actually 5.3 %.

Sergeant Mather compared benefits from year to year beginning in 2008. In 2008 the city provided health insurance for an employee's family with no annual deductible. In 2009 employees were required to contribute. During that year employees contributed \$10,696.00 to the program. Humana became the city's insurance provider in 2010. \$12,505.00 was paid by employees and the combined deductible went up to \$1500.00. This is the same year 80/20 was introduced. Open access to other providers was also discontinued leaving employees no choices about additional disability insurance which was deducted through payroll and exempt from taxes. The total amount of medical premiums paid by employees in the last three years is \$368,251.00 and at least this much has been paid in deductibles. \$70,109.00 has been paid by employees for dental

insurance. Holiday pay loss totaled \$307,150.00 and the option for sick buy back was eliminated causing a loss of \$328,180.00. Total employee contributions during the last two and a half years has been \$1,500,064.00. Twenty-six jobs have been eliminated leaving the work from those positions to be done by the remaining workforce. These are the reasons the city's employees are frustrated.

The task force would like to suggest some ideas that may help the current situation of the city's employees and their frustration. The first suggestion is to obtain a new insurance broker and to accept as many quotes as possible. The education of employees about their benefit packages should also be improved so that they can make educated decisions and know what benefits they have. Employees would also like to have the option of supplemental insurance that was previously offered through Aflac, Colonial, and Lafayette insurance companies. An annual increase in wages is also suggested. The task force believes that the problems the city is currently facing should have been addressed previously instead of ignored. The problems will become worse if they are not addressed soon. Citizens are consuming services but they are not paying for them.

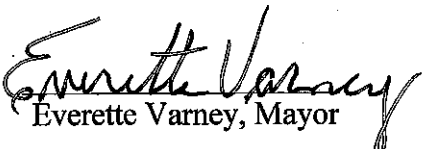
Retention of employees is another area that concerns the task force. Sergeant Mather introduced Linda Wise. Ms. Wise is the payroll administrator for the city. Ms. Wise said the city previously had a structured pay scale that was established to retain employees. Since this is no longer in effect some type of merit system is needed. Currently when people are hired they will fall into the high end category or the low end. This is where they will stay. If someone has worked for the city for the last 3 years they are at the same rate of pay as someone hired within the last week. The city spends money to train people and then those who have a few years experience eventually leave because they are never compensated. Outside Training of employees is also very important. The city is open to fines and penalties if our employees are not trained and kept up to date about changes in their field. This is an investment for the city.

Councilman Singer asked if a copy of the benefit survey taken by city employees could be shared with Council. Rodney Vinegar said that he would get the council a copy.

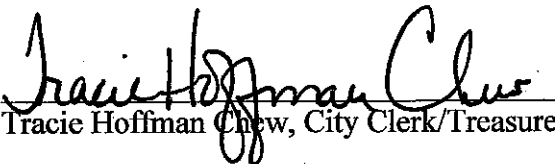
Councilman Lusby told the task force that the council appreciates the work that they have done. He believes the council should choose which direction they will be taking with the budget. Betty Pendergrass stated that there were still three meetings planned with various departments. Councilman Lusby thinks it would be helpful to know the amount of revenue we will be working with before the council hears from the other departments. There being no objection to this Ms. Pendergrass said that she would check with Police, Fire and 911 to see if their meeting could be rescheduled. Ms. Pendergrass said she could put different scenarios into the interactive worksheet focusing strictly on revenues. Ms. Pendergrass asked for a show of hands to verify that all council members approved of the change in the next meetings topic. All agreed. Ms. Pendergrass said that at the next meeting comment cards would be available to the public so that they could make comments on the budget.

Councilman Singer made a motion to adjourn the meeting seconded, by Councilman Prather. The motion was unanimously approved.

APPROVED BY:


Everette Varney, Mayor

ATTESTED BY:


Tracie Hoffman Chew, City Clerk/Treasurer